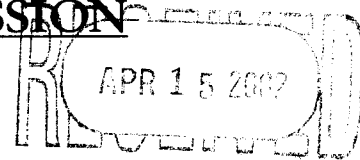


4/16/02 assessment db updated cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



Director of Utilities

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

E-01773A
ARIZONA ELECTRIC POWER COOPERATIVE, INC.
P.O. BOX 670
BENSON AZ 85602-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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Entered
4-16-02
cm

FOR COMMISSION USE

ANN 0 /	01
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COMPANY INFORMATION

Company Name (Business Name) Arizona Electric Power Cooperative Inc

Mailing Address P. O. Box 670

(Street)
Benson

AZ

85602-0670

(City)

(State)

(Zip)

520-586-3631

520-586-5343

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 1000 South Highway 80

(Street)

Benson

AZ

85602-0670

(City)

(State)

(Zip)

Same as Above

Same as Above

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Joe Leingang Controller

(Name)

(Title)

P. O. Box 670

Benson

AZ

85602-0670

(Street)

(City)

(State)

(Zip)

520-586-5385

520-586-5381

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Rusing and Lopez PLLC

(Name)

6262 N Swan Rd Suite 200

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

520-792-4800

Telephone No. (Include Area Code)

520-529-4262

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Same as Above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☒ STATEWIDE

(Wholesale Sales of Electricity)

SERVICES AUTHORIZED TO PROVIDE

Check the following box/s for the services that you are authorized to provide:

☐ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

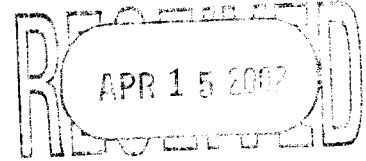
Total number of customers	_____
Residential	_____
Commercial	_____
Industrial	_____
Public street and highway lighting	_____
Irrigation	_____
Resale	_____ 40 _____
Total kilowatt-hours sold	_____ kWh
Residential	_____
Commercial	_____
Industrial	_____
Public street and highway lighting	_____
Irrigation	_____
Resale	_____ 3,990,468,369 _____
Maximum Peak Load	_____ 708 _____ MW

GAS UTILITIES ONLY

Total number of customers	_____
Residential	_____
Commercial	_____
Industrial	_____
Irrigation	_____
Resale	_____
Total therms sold	_____ therms
Residential	_____
Commercial	_____
Industrial	_____
Irrigation	_____
Resale	_____

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Cochise	Director of Utilities
NAME (OWNER OR OFFICIAL) TITLE Donald Kimball Exec VP & CEO	
COMPANY NAME Arizona Electric Power Cooperative	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 186,808,007

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER _____

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

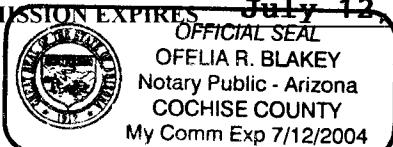
DAY OF

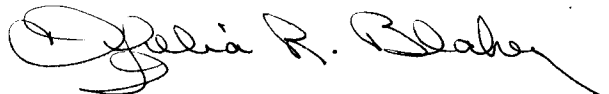
(SEAL)

COUNTY NAME Cochise	
MONTH April	20_02

SIGNATURE OF NOTARY PUBLIC

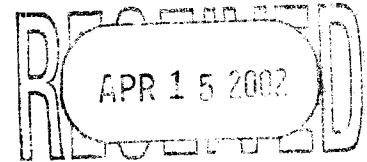
MY COMMISSION EXPIRES July 12, 2004





**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Cochise	
NAME (OWNER OR OFFICIAL) Donald Kimball	TITLE Exec VP & CEO
COMPANY NAME Arizona Electric Power Cooperative	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 0

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

(SEAL)



OFFICIAL SEAL
OFELIA R. BLAKEY
Notary Public - Arizona
COCHISE COUNTY
My Comm Exp 7/12/2004

MY COMMISSION EXPIRES

July 12, 2004

NOTARY PUBLIC NAME Ofelia R. Blakey	
COUNTY NAME Cochise	
MONTH April	. 20 02

SIGNATURE OF NOTARY PUBLIC

OPERATING REPORT - FINANCIAL

ARIZONA 28

BORROWER NAME AND ADDRESS

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

P.O. BOX 670

BENSON, ARIZONA 85602

INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-3

PERIOD ENDING
December 31, 2001

RUS USE ONLY

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

SIGNATURE OF MANAGER

3/21/02
DATE3/21/02
DATE**SECTION A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1. Electric Energy Revenues	229,324,262	204,791,679		20,280,769
2. Income From Leased Property - Net	0	0		0
3. Other Operating Revenue and Income	8,589,515	7,653,439		789,691
4. Total Oper. Revenues & Patronage Capital (1 thru 3)	237,913,777	212,445,119		21,070,460
5. Operation Expense - Production - Excluding Fuel	13,468,733	12,278,638		1,146,030
6. Operation Expense - Production - Fuel	74,924,715	75,290,554		3,897,796
7. Operation Expense - Other Power Supply	58,115,307	51,321,491		3,638,791
8. Operation Expense - Transmission	8,640,989	11,406,465		1,176,286
9. Operation Expense - Distribution	0	0		0
10. Operation Expense - Consumer Accounts	1,892,412	88,850		14,900
11. Operation Expense - Consumer Service & Information	0	0		0
12. Operation Expense - Sales	864,177	355,922		958
13. Operation Expense - Administrative & General	13,336,364	12,215,400		1,166,658
14. Total Operation Expense (5 thru 13)	171,242,698	162,957,320		11,041,420
15. Maintenance Expense - Production	16,365,196	11,504,142		1,099,209
16. Maintenance Expense - Transmission	2,008,054	1,160,136		19,056
17. Maintenance Expense - Distribution	0	0		0
18. Maintenance Expense - General Plant	1,923,149	909,739		75
19. Total Maintenance Expense (15 thru 18)	20,296,400	13,574,017		1,118,341
20. Depreciation & Amortization Expense	11,223,824	11,519,596		650,305
21. Taxes	1,650	0		0
22. Interest on Long-Term Debt	18,251,166	16,050,770		1,771,684
23. Interest Charged to Construction - Credit	(94,951)	(221,959)		(32,356)
24. Other Interest Expense	1,116,264	662,789		28,702
25. Other Deductions	7,196,890	132,260		(257,006)
26. Total Cost of Electric Service (14 + 19 thru 25)	229,233,940	204,674,794		14,321,089
27. Operating Margins (4 - 26)	8,679,837	7,770,325		6,749,372
28. Interest Income	2,953,441	1,981,737		62,218
29. Allowance for Funds Used During Construction	0	0		0
30. Income (Loss) from Equity Investments	0	0		0
31. Other Nonoperating Income - Net	407,528	640,041		174,649
32. Generation & Transmission Capital Credits	0	0		0
33. Other Capital Credits & Patronage Dividends	29,913	39,117		8,018
34. Extraordinary Items	0	0		0
35. Net Patronage Capital or Margins (27 thru 33)	12,070,720	10,431,220		6,994,256
ITEM	Mills/kWh (Optional Use by Borrower)			
36. Electric Energy Revenue Per kWh Sold		51.32		
37. Total Operation & Maintenance Expense Per kWh Sold		44.24		
38. Total Cost of Electric Service Per kWh Sold		51.29		
39. Purchased Power Cost Per kWh		51.21		

ARIZONA 28

MONTH ENDING

December 31, 2001

OPERATING REPORT - FINANCIAL **ARIZONA ELECTRIC POWER COOPERATIVE, INC.**

SECTION B. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	343,797,323	32. Memberships	330
2. Construction Work in Progress	13,878,042	33. Patronage Capital	
3. Total Utility Plant (1 + 2)	357,675,365	a. Assigned and Assignable	4,606,612
4. Accum. Provision for Depreciation & Amort.	(172,617,523)	b. Retired This Year	0
5. Net Utility Plant (3 - 4)	185,057,842	c. Retired Prior Years	0
6. Non-Utility Property - Net	0	d. Net Patronage Capital	4,606,612
7. Investment in Subsidiary Companies	1,360	34. Operating Margins - Prior Years	0
8. Invest. in Assoc. Org. - Patronage Capital	323,305	35. Operating Margins - Current Year	7,108,210
9. Invest. in Assoc. Org. - Other - General Funds	(6,074)	36. Non-Operating Margins	2,189,846
10. Invest. in Assoc. Org. - Other - Non-Gen. Funds	8,697,731	37. Other Margins and Equities	0
11. Investments in Economic Development Projects	0	38. Total Margins & Equities (32 + 33d thru 37)	13,904,998
12. Other Investments	3,437,597	39. Long-Term Debt - REA (Net)	16,184,923
13. Special Funds	2,901,438	(Payments-Unapplied \$)	0
14. Total Other Property & Investment (6 thru 13)	15,355,356	40. Long-Term Debt - REA - Econ. Devel.(Net)	0
15. Cash - General Funds	513,781	41. Long-Term Debt - FFB - REA Guaranteed	126,151,421
16. Cash - Construction Funds - Trustee	0	42. Total Long-Term Debt - Other - REA Guaranteed	0
17. Special Deposits	2,759,210	43. Total Long-Term Debt - Other (Net)	60,324,133
18. Temporary Investments	9,836,667	44. Total Long-Term Debt (39 thru 43)	202,660,477
19. Notes Receivable - Net	0	45. Obligations Under Capital Leases - Noncurrent	0
20. Accounts Receivable - Sales of Energy (Net)	22,743,636	46. Accumulated Operating Provisions	204,200
21. Accounts Receivable - Net	457,551	47. Total Other Noncurrent Liabilities (45 + 46)	204,200
22. Fuel Stock	8,029,830	48. Notes Payable	4,584,386
23. Materials and Supplies - Other	4,956,399	49. Accounts Payable	10,091,554
24. Prepayments	922,317	50. Taxes Accrued	2,199,940
25. Other Current and Accrued Assets	210,719	51. Interest Accrued	1,613,082
26. Total Current and Accrued Assets (15 thru 25)	50,430,109	52. Other Current & Accrued Liabilities	9,310,142
27. Unamortized Debt Disc. & Extraord. Prop. Losses	836,720	53. Total Current & Accrued Liabilities (48 thru 52)	27,799,105
28. Regulatory Assets	3,906,798	54. Deferred Credits	12,984,759
29. Other Deferred Debits	1,966,714	55. Accumulated Deferred Income Taxes	0
30. Accumulated Deferred Income Tax	0	56. Total Liabilities and Other Credits	
31. Total Assets & Other Debits (5 + 14 + 26 Thru 30)	257,553,539	(38 + 44 + 47 + 53 thru 55)	257,553,539

SECTION C. NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
 (IF ADDITIONAL SPACE IS NEEDED, USE SEPERATE SHEET.)

This computer-generated data form is identical in form and substance to RUS Forms 12a - i, "Operating Report - Financial," approved by the Office of Management and Budget (OMB) under the OMB approval number 0572-0017.